IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK

	-X	
SHOE YORK, LLC and STEPHEN KLUBACK,		
Plaintiffs,		
		1:10-cv-7738(RPP)
- against -		
BRIAN BETSCHART		
Defendant.		
	X	

DEFENDANT'S RULE 26(a)(1) INITIAL DISCLOSURES

Defendant BRIAN BETSCHART ("BETSCHART"), by his own attorneys, Sulimani Law Firm, PC, make the following initial disclosures pursuant to Rule 26(a)(1) of the Federal Rules of Civil Procedure. Defendant's initial disclosures are made prior to discovery and Defendant reserves the right to supplement and/or amend these disclosures as appropriate during the course of this action.

I. INDIVIDUALS LIKELY TO HAVE DISCOVERABLE INFORMATION THAT MAY BE USED TO SUPPORT BETSCHART'S CLAIMS AND DEFENSES:

Defendant identifies the following persons who are likely to have discoverable information that Defendant may use to support its claims and defenses:

1. Brian Betschart 5400 Carmen Way Sacramento CA 95822

Information includes: full knowledge of dispute

2. Stephen Kluback

Information includes: full knowledge of dispute

3. Erber Hernandez 31-33 90th Street Apt. B-6 East Elmhurst, NY 11369

Information including, but not limited to, breach of revenue sharing agreement and breach of implied covenant of good faith and fair dealing by Plaintiff

4. Jason Termechi 1337 Crestmont Drive Diamond Bar, CA 91765

Information including, but not limited to, breach of revenue sharing agreement and breach of implied covenant of good faith and fair dealing by Plaintiff

5. Steve Leugers 12777 Abbey Road North Royalton, OH 44133 (440) 628-5166

Information including, but not limited to, misappropriation, breach of revenue sharing agreement and breach of implied covenant of good faith and fair dealing by Plaintiff

6. Matt Halshill 2815 Guadalupe Austin, TX 78705 (512) 320-8100

Information including, but not limited to, breach of implied covenant of good faith and fair dealing by Plaintiff

7. Joe La Puma 40 West 23rd Street, 2nd Floor New York, NY 10010

Information including, but not limited to, breach of implied covenant of good faith and fair dealing by Plaintiff

8. Dime Magazine Person Unknown 291 Broadway, Suite 1204 New York, NY 10007 (212) 629-5066

Information including, but not limited to, breach of implied covenant of good faith and fair dealing by Plaintiff

9. Bounce Magazine Person Unknown 291 Broadway, Suite 1204 New York, NY 10007 (212) 629-5066

Information including, but not limited to, breach of implied covenant of good faith and fair dealing by Plaintiff

II. CATEGORIES AND LOCATIONS OF DOCUMENTS

- 1. Defendant's correspondence and contracts with Plaintiffs
- 2. Defendant's correspondence and contracts with Vendors
- 3. Defendant's correspondence with Writers
- 4. Documents relating to website metrics
- 5. Defendant reserves the right to use any document, data or information produced by Plaintiff and/or any third party in this action.

All documents listed above are located at 5400 Carmen Way, Sacramento CA 95822.

III. COMPUTATION OF DAMAGES

Defendant's claim for damages are for breach of contract, misappropriation, conversion, breach of implied covenant of good faith and dealing and fraud. A computation of such damages is not available at this time and Defendant's will not know the extent of damage until discovery. Damages may also be the subject of expert testimony. Defendant has not yet retained an expert on damages and are therefore not in possession of their expert's damage analysis.

Defendant agrees to supplement this response in a timely manner.

IV. INSURANCE

Defendant has no insurance policy that could be used to satisfy any part of a judgment in this case.

Dated: August 9, 2011 New York, New York

Sulimani Law Firm, PC

By: /S/ BENJAMIN NAHOUM

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Attorneys for Defendant, Brian Betschart